2.5 Related Activities:

There are several water activities related to the ongoing rapid growth in La Plata County. The "La Plata-Archuleta Water District" has been proposed, but not enacted, to construct a rural water system for southeast La Plata County with possible expansion into Archuleta County. Such a district could treat and distribute water to rural areas to address water quality and quantity, fire protection, and other problems. Vallecito Reservoir irrigation water would be a potential supply source for the water district.

A "Voluntary Shareholder Pool" has been authorized by District Court Decree. Some ranchers and farmers in the Pine River Irrigation District have begun the process to implement the "Voluntary Shareholder Pool" by forming a corporation to act as the pooling agent and requesting statements of interest to include irrigated land in the Pool. In early 2006, the District Board of Directors approved a contract with the corporation. Participants in the Pool agree to commit a portion of their irrigation water for long-term lease to other uses. Revenues from the lease would go to individual Pool members and the District. Water provided by the Voluntary Shareholder Pool would have to comply with the Reclamation/District Contract.

3. ALTERNATIVES

This section of the EA describes the Proposed Alternative and the No Action Alternative, as well as other alternatives considered but rejected.

3.1 No Action Alternative:

Under No Action, a contract to authorize use of Project water for miscellaneous purposes would not be entered into by the District and Reclamation. The existing non-irrigation uses of Pine River Project water would likely continue in non-conformance with Federal law and the United States would likely seek discontinuation of this use, resulting in disruption of existing domestic water uses, reduced revenue to the District, and higher assessments to the District shareholders. Another more likely outcome would be that the United States would resolve the existing uses by some other method, such as a contract action to authorize only the existing M&I water uses. Under these scenarios, no additional water would legally be made available for future non-irrigation use from the Pine River Project.

3.2 Proposed Alternative:

The Proposed Alternative is execution of a contract (final draft contract in Appendix A) to allow conversion of 3,000 af of Pine River Project irrigation water to other uses. There would be no provision for water distribution facilities.

Under the Proposed Alternative, the District would be authorized to use up to a total of 3,000 af of project water for M&I and miscellaneous uses. Water provided (leased water)

under the proposed Contract would be released from Vallecito Dam to the Pine River or taken directly from Vallecito Reservoir or upstream tributaries. The Proposed Alternative is designed to meet increased non-irrigation water needs in the project area for the next 50 years and would provide the following:

- Historic (existing) non-irrigation uses of Project water would continue and would be in conformance with Federal law. This represents approximately 500 af of individual water uses (individual uses being less than 20 af and termed a "minor use") and use of a total amount of 150 af by the Town of Bayfield and the Forest Lakes Metro District. The minor uses would be handled contractually under individual "Application for Exchange" agreements, and Bayfield and Forest Lakes would be contractually handled under separate Third Party Contracts⁴, subject to approval by Reclamation.
- Project water, totaling 1,500 af, would be made available by the District for future minor uses (less than 20 af per use) using the "Application for Exchange" as the approving document.
- Project water, totaling 850 af, would be made available by the District for future Third Party Contracts.

The District would charge non-irrigation water users based on annual operation and maintenance costs; contract administration costs; and annualized system improvement costs, replacement costs, and water conservation activity costs associated with the Pine River Project. A portion of revenues would be paid to the United States to be deposited into the Reclamation Fund to the credit of the Pine River Project. Additional financial details are included in the proposed contract.

3.3 Other Alternatives Considered:

Consideration was given to having this EA provide complete NEPA compliance on all future Third Party Contracts (for a total of 6,700 af). As stipulated in the proposed Contract, additional Project water totaling 3,700 af could be made available for M&I and other miscellaneous uses through future Third Party Contracts, subject to approval by Reclamation. This water could include water from the Voluntary Shareholders Pool and that particular water could be used outside of the District. These Third Party Contracts would be subject to future compliance with NEPA, the 1920 Act, and other environmental regulations. This EA does not provide NEPA compliance for the 3,700 af because details on the uses are not known at this time. While these potential future contracts are mentioned in this EA, Reclamation does not believe that there is sufficient information on these potential future water uses at this time to provide NEPA compliance and that future environmental analysis will be needed before they can be approved. Providing for the conversion of additional water, beyond the 6,700 af identified in the proposed contract, was also considered; however, it is believed that the amount of water

⁴ As defined in the Contract, a Third-Party Contract means a contract between the District and a Third Party Contractor, pursuant to the Reclamation/District Contract and subject to the approval of the United States, for the delivery of leased water.

provided under the Proposed Alternative is adequate for future needs in the project area for many years. Therefore additional water was not considered in detail.

Another possible alternative to the proposed action is that the United States would resolve the existing uses by some other method, such as some other contract action or Federal Law to authorize only the existing water uses. Since this alternative does not address potential future water conversions, it was not considered in detail.

4. AFFECTED ENVIRONMENT AND ENVIRONMENTAL CONSEQUENCES

4.1 Introduction:

This chapter discusses resources that may be affected by the No Action Alternative and by the Proposed Alternative. During preparation of the EA, information on issues and concerns was received from affected water users, resource agencies, and private citizens (see the Consultation and Coordination Chapter for further details).

For each resource, existing conditions are described and direct, indirect, and cumulative impacts are considered.

- Direct impacts—these are impacts which are caused by the action and occur at the same time and place.
- Indirect impacts—these are impacts which are caused by the action and are later in time or further removed in distance, but are still reasonably foreseeable.
- Cumulative impacts—these are impacts which result from the incremental impact of the alternatives when added to other past, present, and reasonably foreseeable future actions regardless of which agency or person undertakes the actions.

One of the primary purposes of the Proposed Alternative is to provide water to a growing population in the Pine River Project area. Such growth has and continues to result in changes in land use and natural and cultural resources. Reclamation does not have the authority nor the responsibility to control or direct growth in the area; this authority and responsibility lies with local governments and SUIT.

4.2 Hydrology and Water Quality:

4.2.1 Existing Conditions:

The Pine River and its tributaries are the source of the water supply for the lands in the Pine River Valley. The Pine River and its principal tributary, Vallecito Creek, rise in a rough mountainous region of the San Juan Mountains and flow in a general southerly direction to Vallecito Reservoir, located at the head of the Pine River Project area. This reservoir provides irrigation storage water to the Pine River Project. From the reservoir, the Pine River flows south about 30 miles through the project lands to the Colorado-New